

Midwest Hedge Fund, L.P., and James J. Brumm

Notice of Intent to Invoke Administrative Sanctions

DATE: May 7, 2004 RESPONDENT: Midwest Hedge Fund, L.P., and James J. Brumm

ALLEGATIONS: A Notice of Intent to Invoke Administrative Sanctions Under the Kansas Securities Act was issued for Brumm's alleged failure to disclose the existence of a Consent Order against him in Nebraska and for transacting business in Kansas as an unregistered investment adviser, and for respondent Midwest's offer and sale of unregistered securities. Brumm offered and sold Midwest as a Kansas limited partnership. Brumm then made withdrawals from Midwest totaling \$23,325.00, which he converted to his personal use.

Consent Order

DATE: May 10, 2004 RESPONDENT: Midwest Hedge Fund, L.P., and James J. Brumm

ALLEGATIONS: Omission of material fact, unregistered investment adviser, sale of unregistered securities

ORDER: Respondents entered into a Consent Order whereby respondents Midwest Hedge Fund, L.P., and James J. Brumm were barred from association with any broker-dealer or investment adviser registered in the State of Kansas. Respondents were also ordered to cease and desist from violating the Kansas Securities Act.

Stipulation for consent order nunc pro tunc

DATE: June 30, 2004

RESPONDENTS: Midwest Hedge Fund, L.P., and James Brumm

ALLEGATIONS: A Stipulation for Consent Order Nunc Pro Tunc was issued to correct an error in the amount of the withdrawals made by Brumm from Midwest as written in the Stipulation for Consent Order issued May 7, 2004. The correct amount is \$52,325.00.

Notice to Investors: If you are not a resident of Kansas and have been affected by actions that are similar to those described in this synopsis, you should consider contacting your state securities regulator for assistance. To locate your securities regulator, go to the [North American Securities Administrators Association](http://www.nasaa.org) website. If you choose to contact your state securities regulator, please inform him or her of the action taken by the State of Kansas.